

WRITTEN TESTIMONY OF KEITH DEN HOLLANDER CHAIRMAN, CHRISTIAN COALITION OF MICHIGAN

REGARDING:
READYING MICHIGAN TO MAKE GOOD ENERGY DECISIONS, RENEWABLE ENERGY REPORT

IN SUPPORT OF RENEWABLE ENERGY

Presented to the Members of the

SENATE ENERGY AND TECHNOLOGY COMMITTEE

THE HONORABLE MIKE NOFS

CHAIR

Submitted March 25, 2014 Chairman Nofs and Members of the Senate Energy and Technology Committee,

Thank you for allowing me to submit this written testimony in support of Renewable Energy in lieu of testifying in person today. As you know, I testified before the Committee two weeks ago on the importance of Energy Efficiency measures to our members and the significant savings Energy Efficiency initiatives afford.

I am honored today to have the opportunity to submit testimony on another issue that the Christian Coalition of Michigan believe is of importance to the future of the State of Michigan: an increased commitment to Renewable Energy.

The Public Service Commission Report titled Readying Michigan to Make Good Energy Decisions, released last year, shows that tremendous room for growth exists in Michigan's renewable energy sector. The report also demonstrates that this growth can occur in a very cost-effective manner. The Christian Coalition of Michigan agrees with this assessment and supports the position that more should be done with renewable energy sources in order to advance a truly "All of the Above" energy strategy.

As Christians and people of faith, we recognize our obligation to be good stewards of all of the resources God has given us. This obligation encompasses everything from our oil reserves and natural gas to renewable energy sources.

Many reasons exist to adopt an "All of the Above" approach to energy policy – reasons of concern to our membership ranging from the potential economic benefit to national security to sanctity of life issues.

Currently, more than 60% of Michigan's electricity comes from coal. Given this heavy-reliance on coal for most of our base load generation, the fact that Michigan produces no coal of its own and therefore spend \$1.2 billion (and the jobs that funding supports) annually to import coal from other states; the Christian Coalition of Michigan believes that energy policy must be transition from the system that build our nation to the system that will fuel our future – one that takes advantage of cleaner, cheaper and diverse resources that are home grown – like renewables and natural gas. As any investment counselor will point out, diversity is key to a retirement portfolio and we believe the same principle applies to electric generation.

Regulations promulgated by the Environmental Protection Agency are expected to dramatically increase the cost of coal-fired generation and will likely require the shuttering of several coal plants. With the looming implementation of these regulations Michigan utilities have begun to increase their use of Natural Gas for purposes of electricity generation – a shift boosted by the low price of Natural Gas here in Michigan.

However, the reality is that the price of Natural Gas is artificially low here at the moment due to our inability to export it. This will not last. Michigan's ports are currently being retrofitted to allow for Natural Gas export. According to the Military Advisory Board, once this retrofit is complete and Michigan's Natural Gas supply can be more easily traded on the international market, Michigan will see a sharp increase in the price of natural gas. This, in turn, will result in spikes in the cost of electricity derived from natural gas.

While Christian Coalition of Michigan believes we must increase our use of renewable resources in our electricity generation, we recognize that not all forms of renewable energy can account for base load electricity generation. However, renewable energy sources provide a viable, affordable supplement to base load generation and work well in conjunction with natural gas in particular.

Producing more energy here at home and creating more jobs in our state makes sense as part of a "No Regrets" energy policy. Michiganders are incredibly talented and innovative. Whether it is our engineers or our factory workers, people here in Michigan are already working to create the kinds of disruptive technologies that will drive the energy innovations of tomorrow.

Adopting an "All of the Above" approach to Michigan's energy future is good, sound conservative policy. We strongly encourage this Committee to continue exploring the untapped potential of renewable energy, and to adopt a truly "All of the Above" energy policy for Michigan's future.

Again, thank you for allowing me to submit this testimony. I look forward to continuing this important conversation. Please do not hesitate to contact me directly should you have questions regarding my testimony or desire additional information.

Respectfully Submitted,

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